DWD Issuance 16-2009, Attachment 1, Section 1 Work Related Expense (WRE) Policy

Description

Work Related Expense (WRE) payments assist Temporary Assistance (TA) recipients by purchasing items so the recipient can <u>fully</u> participate in Career Assistance Program (CAP) activities. WRE payments are allowable <u>only</u> when a need is demonstrated and the vendor can be paid directly by the CAP service provider (it is never appropriate to give cash to the recipient). WRE payments are <u>not an entitlement</u>, but rather assistance so TA recipients can fully participate in CAP activities. All WRE payments are authorized based upon availability of funding.

The maximum amount of WRE allowed for recipients is \$350 in a 12-month period. The 12-month period begins immediately upon the first authorized payment of WRE.

For example, it is September 15, 2009. [The maximum WRE that can be issued per 12 month period is \$350. Toolbox 2.0 will look to see what WRE payments were issued between September 15, 2008 — September 15, 2009 to calculate the available balance. If the following payments were issued: 9/25/08 - \$100 and 8/15/09 - \$50, there is \$200 available on 9/15/09. In this example, the client started with a \$350 balance. The \$100 and \$50 payment would both be deducted and leave a balance of \$200. However, on September 25, 2009, the \$100 authorized on 9/25/08 raises the balance of WRE to \$300.]

Demonstrates a Need

WRE may only be paid for recipients that actually <u>need</u> WRE assistance. If the recipient is able to pay these expenses, then he/she has not demonstrated a need. As stated previously, this is not an entitlement.

Up-Front Payments

In many cases, it may be necessary to pay WRE for recipients who are "getting ready" to participate in an activity. (For example, he/she needs steel-toed work boots prior to the first day on the job; he/she needs a "dress outfit" for the first day of work, etc.) In this case, the recipient should provide some type of documentation showing the activity in which he/she will participate, if applicable and available (for example, a letter of employment; school schedule; etc.) In many cases, it is necessary to take the recipient's word that he/she will fully participate in the work activity (for example, interviewing for job search). It is recommended the CAP service provider only supply the necessary expense to get through the first few days to determine if the recipient will continue to participate. Then after the determination, provide additional support.

Fully Participating

The required participation hours to be considered "fully participating" for CAP depends on whether the recipient is in a single or two-parent household.

A single-parent household's core hours have been increased five hours above federal regulation requirements to assist in meeting the required federal work participation rate. Below are the single

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TA recipient's required CAP participation in core and non-core hours that must be met in order to be paid WRE for those recipients already participating in an activity at the time of the stated need:

| Single Parent Households Minimum Required Participation Hours Per Week by State Policy | | | |
|---|---------------------|-----------------------------|----------------------|
| Household type | Core Hours Required | *Non-Core Hours Required | Total Hours Required |
| Child(ren) under 6 | 25 Hours | 0 Hours | 25 Hours |
| Child(ren) 6 and over | 25 Hours | 10 Hours | 35 Hours |

The single-parent recipient household can only be sanctioned if the <u>federally</u> required participation hours are not met. However, in communication with the recipient, the increased hours (above) are the requirement. <u>Do not</u> tell the recipient that they cannot be sanctioned until they fall below the federally required hours (below). The <u>federally required</u> participation hours are:

| Single Parent Households Minimum Required Participation Hours Per Week by Federal Regulation | | | |
|--|---------------------|-----------------------------|----------------------|
| Household type | Core Hours Required | *Non-Core Hours Required | Total Hours Required |
| Child(ren) under 6 | 20 Hours | 0 Hours | 20 Hours |
| Child(ren) 6 and over | 20 Hours | 10 Hours | 30 Hours |

^{*}Non-core hour requirements may be met by participating in core or non-core activities.

Two-parent households required hours are the same per CAP policy and federal regulation. Their requirements are unchanged with this policy. The two-parent household's requirement for CAP participation in core and non-core hours to be paid WRE are on the following page:

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| | | Two-Pa | rent Housel | nolds | | |
|---|--------------|--------------|----------------------|--------------|--------------|--------------|
| | Minimu | m Required | Participation | n Hours Per | Week | |
| | | *Non-Core | Total | | *Non-Core | Total |
| | Core Hours | Hours | Hours | Core Hours | Hours | Hours |
| Household | Required | Required | Required | Required | Required | Required |
| type | for Parent 1 | for Parent 1 | for Parent 1 | for Parent 2 | for Parent 2 | for Parent 2 |
| **Child(ren) under 6 and no federally funded childcare | 30 | 5 | 35 | 0 | 0 | 0 |
| **All other 2- parent households | 30 | 5 | 35 | 20 | 0 | 20 |

^{*}Non-core hour requirements may be met by participating in core or non-core activities.

To be fully participating, the recipient must meet the above required weekly hours. However, the recipient can be considered fully participating if he/she makes up missed hours in another week. (i.e., TA recipient is required to complete 25 hours per week. He/she completes 20 hours in week 1 and 30 hours in week 2.) "Making up" hours can only be completed within the same federal month and enables the participant to fully participate because the average weekly required hours are met for the month.

Expenses

A table of allowable and unallowable expenses is on the following page. WRE is expected to assist the recipient to fully participate in work activities with the end goal of unsubsidized employment. Therefore, WRE should help the recipient to function as any other employee, potential employee, etc. The following charts may not encompass all situations. If you have additional questions, please follow local communication channels to send an email to Central Office CAP staff.

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^{**}To reach the total required hours of 35 or 55 (30 core and 5 non-core or 50 core and 5 non-core), they can be achieved in this or any other combination of hours. (I.e. For the 55 hour requirement, Parent 1 could work 40 core hours and Parent 2 could work 10 core and 5 non-core hours.) Thorough case notes are required to explain the hours.

| Allowable Expenses | | |
|--------------------------|---|--|
| Items | Conditions/Explanations | |
| Application Fee for GED | • If recipient is fully participating or agrees to fully participate in work activities, this can be paid even if he/she has is not a teen parent or has no non-core requirement and therefore, this does not count within an activity. | |
| Automobile repair(s) | Used for the primary vehicle owned by the recipient. The CAP service provider must request proof of ownership (i.e., a title), proof of insurance, and a valid driver's license On a case-by-case basis, it can be used for a vehicle the recipient will ride in or drive to fully participate in work activities: This should be carefully investigated as to why the recipient cannot obtain his/her own vehicle (i.e., doesn't have driver's license, etc.) or other transportation Verify this will be a long-term solution or lead to a long-term solution (i.e., If WRE of \$50 puts brakes on the mother's car, the recipient will have transportation for 3 months at which time she will get her income tax and purchase a used automobile.) The owner of the vehicle must provide proof of ownership, proof of insurance, and a valid driver's license Owner of the vehicle must sign a statement that he/she will give this person rides as needed to participate in work activities or allow the recipient to drive the car for a certain period of time For two-parent households, if both parents are fully participating or agree to fully participate, the WRE can be combined to make repairs For repairs over \$100 or if the CAP service provider questions the cost, the recipient must submit 3 estimates for the cost of the repairs. It is left to the discretion of the CAP service provider if the estimates must come from certain vendors if they are generally more reasonable. WRE funds can be used to purchase automobile parts to be installed by someone other than an auto repair shop; however, the case manager should verify the individual who will install the parts is qualified to do the type of work required. The mechanic or other authorized person should verify, to the best of his/her knowledge, this repair(s) will make the vehicle operable and is not just a short-term | |
| Bicycle or Bicycle Parts | Allowable if used for transportation for work activities | |
| Car Insurance | Allowable for up to 3 months for full coverage insurance total per 12-month period (if the recipient only needs liability, this is acceptable) The recipient should be encouraged to pay a portion of the insurance as he/she will have to make the payments in the future Only pay 1 month at a time to verify full participation is met Not recommended to use the entire \$350 WRE funds on this since he/she will likely need other supports for going to work or school | |

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| Allowable Expenses | | |
|--|---|--|
| Items | Conditions/Explanations | |
| Childcare Registration Fees | Does not count toward the \$350 annual limit Provider does not have to be licensed or registered to request this fee; however, the childcare provider does need to have a written policy requiring this fee for all families. | |
| College Application and Entry Test Fees | *Allowable to be used from WRE if the region has exhausted their training funds | |
| Criminal Background Check | Must be required by the employer for all employees (not just CAP recipients) in order to participate in a work activity | |
| Diagnostic Testing | Allowable if the mechanic is unsure of the problem and there is no way to determine the cost unless this is completed | |
| Driver's License Fees | • Per the Missouri Department of Revenue, the length of the license and the fee associated with it depends on driver's age if the driver is under or over 20 years of age | |
| Licensing Fees (Including Safety Inspection and Transfer Fees) | Only allowed for a 1-year period | |
| Medical and Dental Expenses | Recipient must provide documentation that this will not be covered by Medicaid or private health care (i.e., statement showing not eligible for Medicaid; denial per dentist/doctor office; etc.) Cannot be used for another recipient, even if he/she is married to this person | |
| Mortgage Payments | Can be paid in extenuating circumstances for short-term emergencies Recipient must provide documentation (i.e., bill, loan, etc.) showing this is his/her responsibility Recipient needs to pay as much as he/she can Not recommended to use the entire \$350 WRE funds on this since he/she will likely need other supports for going to work or school | |

^{*}The region also has the option to request a line item budget modification through DWD's financial unit to move funds to training.

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| Allowable Expenses | | |
|---|--|--|
| Items | Conditions/Explanations | |
| Personal Hygiene Items | Purchase of a reasonable amount of items such as: Soap Deodorant Toothpaste and mouthwash Hair care items (i.e., shampoo, conditioner, hair spray, brush, etc.) Face cleaning scrubs Razors Makeup (foundation, eye shadow, lipstick, etc.) Hair color Manicure set | |
| | • *As a reminder, as with all WRE purchases, the most cost effective method should be used and be based on need. Therefore, if a female recipient needs makeup for a job interview, it may be appropriate to purchase one foundation, one powder, one set of eye shadow, and one lipstick. In this case, it would not be appropriate to take her to a higher end salon to purchase these products. | |
| Personal Property Taxes | Done on a very limited basis, such as, has to pay the taxes to obtain a vehicle Only pay for the vehicle needed for transportation, do not pay for another vehicles, a house, land, etc. If there is more than just the one vehicle on the property tax, verify the recipient has the money to pay the rest of the bill and go with him/her to pay it, or have them mail the payment from the office, etc. Recipient should be encouraged to pay as much as possible since he/she will need to pay this in the future | |
| Phone Cards | Allowable for up to an hour at a time Recipient must be using card exclusively for work activities | |
| Rent/Utilities | Can be paid in extenuating circumstances for short-term emergencies Recipient must provide a copy of the lease agreement with his/her name as the person responsible for payment Recipient needs to pay as much as he/she can Not recommended to use the entire \$350 WRE funds on this since he/she will likely need other supports for going to work or school | |
| Sales Tax | Is not used for sales tax as the WRE item(s) is tax exempt Provide the appropriate documentation so sales tax is not charged | |
| SATOP Class | Can be paid for when this is a condition for the recipient to get his/her license back | |
| Uniforms (Not Paid for By the Employer) | Includes any uniform required by the employer. | |

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| Allowable Expenses | | |
|--|---|--|
| Items | Conditions/Explanations | |
| Union Dues to Allow a Recipient to Obtain or Continue Employment | • Limited to once per union membership. For example, if a recipient joins a carpenter's union, the fee can be paid; and later joins a HVAC union, the fee can be paid. However, it cannot be paid to the carpenters union twice even if it is for different periods of time. | |
| Work and/or School Supplies | Work tools required by the employer *School supplies if required for the class and the region has exhausted their training funds. For example, if he/she has 3 classes, a notebook would be appropriate for each class, plus other items (such as a calculator, a pen, pencil, highlighter, etc.) required by the class. These items should be purchased at retail outlets as purchasing from the oncampus bookstore will likely incur additional costs. Computer software required for a specific class *Text books (including the GED booklet) if required for the class and the region has exhausted their training funds. | |
| Work Clothes | WRE funds are not intended to purchase an entire wardrobe. Necessary clothing should be purchased at the most reasonable prices. For example: -Dress shoes for \$10-\$15 a pair will likely work fine for someone working in an office. -Steel-toed boots will likely be quite expensive depending on the employer requirements. There is not a stipulation on how many of any piece of clothing may be purchased since this is case specific and there are many possible combinations of needs. If there are questions on what is reasonable, contact your supervisor. For example: -A recipient who works outside may need a pair of tennis shoes and a pair of boots; more than one pair of gloves; more than one hat; a winter coat; and a light weight coat. However, the employer may supply uniforms. -A recipient who works in an office will likely need more than 1 pair of dress shoes. -A female recipient will likely need a purse. | |

^{*}The region also has the option to request a line item budget modification through DWD's financial unit to move funds to training.

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| Non-Allowable Expense Examples | | |
|--|--|--|
| Items | Conditions/Explanations | |
| Computers | | |
| Food and Drink | | |
| Household Cleaning Supplies | | |
| Items for Other Family Members | Examples include:-Diapers-Toys-Clothing | |
| Items Pawned by Recipient | | |
| Jewelry | | |
| Legal Costs, Fines, Penalties, etc. | | |
| Rent Deposit | This is a refundable amount at the expiration of the lease | |
| Start-Up Costs or Costs to Operate Own Business | Examples include: Toys, supplies, etc. for daycare Color, hair brushes, combs, hairdryer, etc. for salon Rakes, gas, shovels, etc. for lawn care business | |
| Sleepwear | | |
| Weight Loss Products | | |

Post-Employment Payments

Post-employment WRE payments made after the Toolbox 2.0 case closes are no longer allowed. (WRE payments <u>can be</u> made any time the case is open in Toolbox 2.0 if all other criteria are met.) The Family Support Division (FSD) administers Transitional Employment Benefits (TEB) which provides a \$50 payment per month for up to 6 months per case closure for TA recipients whose case closed due to an increase in income and he/she continues to meet the required participation hours. Encourage all TA recipients to talk to his/her eligibility specialist to find out complete requirements.

Recouping Payments

In cases where there is a reusable item and the TA recipient has not fully participated as he/she stated they would, make a reasonable attempt to recoup that item. There will likely be situations where the recipient cannot be located; cannot be contacted; or refuses to return the item. If too much time is spent attempting to recoup the item; it may cost more in staff time and effort than the item's value.

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The cost for the item will continue to count "against" the TA recipient's WRE who the item was originally purchased for; however, this item can be used for other recipients who have a need and will fully participate. If the individual is no longer receiving TA, do not attempt to recoup the item(s). If the recipient "abuses" the WRE and does not continue to comply, use this in considering issuing WRE in the future.

Examples of items that are required to be returned to the CAP service provider if the recipient quits fully participating:

- Tools
- Books
- Stethoscope
- Watch for nursing
- Steel-toed boots
- Scrubs
- Dress clothes
- Unopened personal hygiene products

Examples of items that are not required to be returned to the CAP service provider if the recipient quits fully participating:

- Opened personal hygiene products
- Brakes for a car
- Undergarments

The recouped items can be used for another recipient to participate. When this is done, it should be case noted. These items can count against a portion of his/her WRE at a reduced amount (i.e., if another client needs tools and there are some at the office, it may be appropriate to count half of the original cost against his/her WRE if the tools are in good condition). For the recipient who receives the item(s), this amount will not be subtracted out of his/her WRE in Toolbox 2.0; therefore, always review the case prior to issuing WRE.

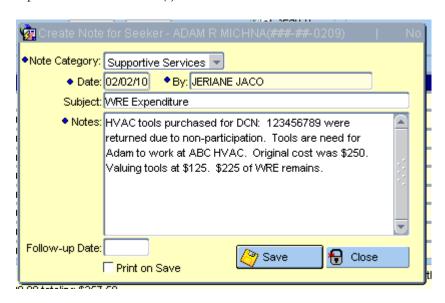
If there is no reasonable alternative for reuse of the item by another TA recipient, contact DWD financial for permission prior to selling any items.

Clothing does not count against the WRE for the person who receives the used item(s). This includes: boots, scrubs, dress clothes, etc.

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Below is the format of the case note that must be used:

- 'Note Category' of "Supportive Services"
- 'Subject' of "WRE Expenditure"
- Case notes that include:
 - o DCN of the recipient who originally had the item(s)
 - o Reason "new" recipient needs the item(s)
 - o Original cost of item(s)
 - Depreciated cost of item(s)



Authorizing

WRE payments are authorized through Toolbox 2.0. All purchases are made through the WIB's/sub-contractor's regular system of vendors. All purchases must be paid for locally and then reimbursed from the Division of Workforce Development's (DWD) Central Office as a line item on the monthly CAP CPR and reimbursed as a normal cash request.

A copy of the receipt, invoice, etc. requesting or indicating payment must be included in the TA recipient's file. (i.e., Wal-Mart receipt, bill from local mechanic, etc.)

The case manager may approve WRE payments under \$100. Additional supervisory authority is required to authorize payments from \$100-\$350.

Local Policies

No local WRE policies are allowed.

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DWD Issuance 16-2009, Attachment 1, Section 2 Work Related Expense (WRE) Agreement

CAP Work Related Expense (WRE) Agreement

| • | ent's Printed Name) stance Program (CAP) activities for hou | WRE funds to allow me to ars per federal week. |
|--------------------------|--|--|
| | ntinue to participate as agreed, any tools, supplies service provider. In addition, failure to comply we Assistance (TA) grant. | |
| | ing items to fully participate my required hours in e: 2 pairs khaki pants and black dress shoes; trans wdrivers, and tool belt; etc.) | |
| | | |
| TA Recipient's Signature | CAP Service Provider's Signature | Date |

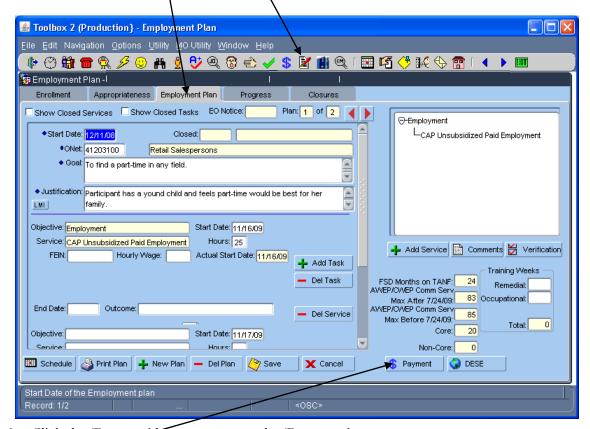
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DWD Issuance 16-2009, Attachment 1, Section 3 Work Related Expense (WRE) Toolbox 2.0 Instructions

Authorizing Work Related Expense (WRE) Payments

1. Click on 'Employment Plan/Enrollment' icon.

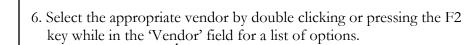
2. Click on the 'Employment Plan' tab.



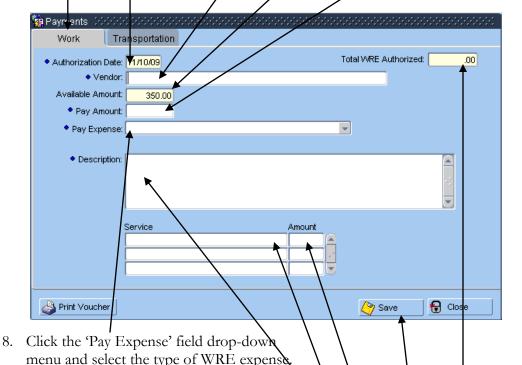
3. Click the 'Payment' button to access the 'Payments' screen.

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- 7. The 'Available Amount' field displays the remaining amount of WRE available.
- 8. In the 'Pay Amount' field, enter the amount of WRE to be issued.



to be very specific so it can 10.

*This needs to be very specific so it can help explain current and future purchases, and for monitoring purposes. For example:

- Purchased 1 pair of khakis, 2long sleeve dress shirts, and 2 pairs of dress shoes. (In this scenario, it will make sense if in the summer the recipient needs additional supports to buy "summer" clothes.)
- Purchased breaks for car. (In this scenario, it will make sense if a different part is purchased later.)

- 9. In the *'Description field, enter the WRE payment description.
- 10. Double click the 'Service' field(s) to link the payment to a CAP service.

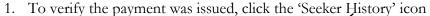
11. In the 'Amount' field, enter the amount of the WRE associated with the service.

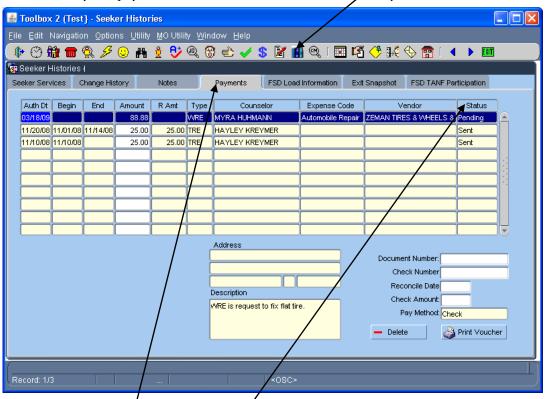
12. Click 'Save'.

13. The 'Total WRE Authorized' field indicates the total amount of WRE issued to the recipient in the past 12 months.

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Verifying WRE Payments were Entered





2. Click on the 'Payments' tab.

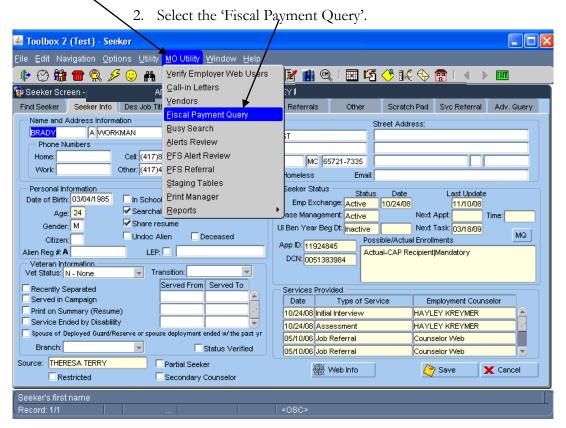
3. The 'Status' will remain 'Pending' until WRE payments are reconciled.

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Reconciling WRE Payments

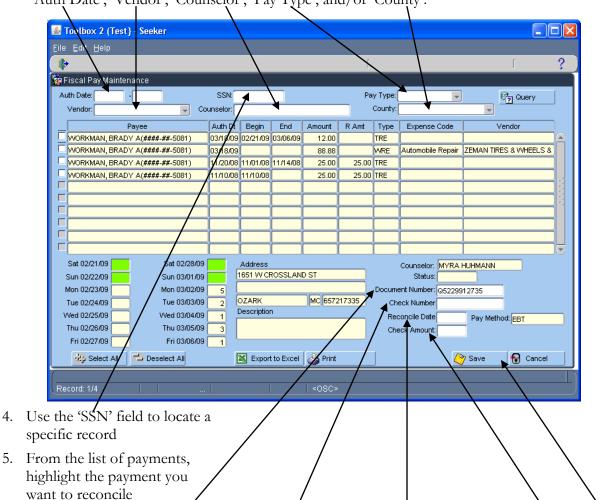
Only users with authorized permissions may perform this functionality.

1. Click on the 'MO Utility' menu.



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3. If you are reconciling multiple records, you can also use the fields of: 'Auth Date', 'Vendor', 'Counselor', 'Pay Type', and/or 'County'.



6. Complete the: 'Document Number', 'Check Number', 'Reconcile Date', and 'Check Amount

7.Click the 'Save' button

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Entering Case Notes:

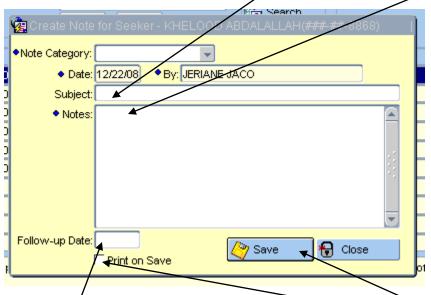
1. Click on the 'Notes' icon.



2. Click the 'Add' button.



- 3. Select the appropriate 'Note Category' drop down menu item.
- 4. Type the appropriate information in the 'Subject' field and enter 'Notes'.



- 5. Enter 'Follow-up Date' if appropriate.
- 6. If you want a hard copy for the record click to select the 'Print on Save

7. Click the 'Save' button.

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